

# NATIONAL PARTNERSHIP AGREEMENT ON LOW SOCIO-ECONOMIC STATUS SCHOOL COMMUNITIES

Council of  
Australian  
Governments

An agreement between

- the **Commonwealth of Australia** and
- the **States and Territories**, being:
  - ◆ the State of New South Wales;
  - ◆ the State of Victoria;
  - ◆ the State of Queensland;
  - ◆ the State of Western Australia;
  - ◆ the State of South Australia;
  - ◆ the State of Tasmania;
  - ◆ the Australian Capital Territory; and
  - ◆ the Northern Territory of Australia

This National Partnership Agreement ('the Agreement') supports a suite of school and broader reforms designed to transform the way schooling takes place in participating schools and address the complex and interconnected challenges facing students in disadvantaged communities. This Agreement aims to improve student engagement,

educational attainment and wellbeing in participating schools, make inroads into entrenched disadvantage (including in Indigenous communities), contribute to broader social and economic objectives and improve understanding about effective intervention that can be implemented beyond the schools participating in this Agreement. Successful implementation of this Agreement will be critical to the achievement of the aspirations, objectives and outcomes set out in the National Education Agreement.



# National Partnership Agreement on Low Socio-economic Status School Communities

## PRELIMINARIES

1. This agreement is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* and should be read in conjunction with that Agreement and subsidiary schedules. In particular, the schedules include direction in respect of performance reporting and payment arrangements.
2. The Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage. That commitment is embodied in the objectives and outcomes of this agreement. However, the Parties have also agreed other objectives and outcomes - for example, in the National Indigenous Reform Agreement - which the Parties will pursue through the broadest possible spectrum of government action. Consequently, this agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships entered into by the Parties.
3. Australian Governments share the objective of raising overall educational attainment so that all Australian school students acquire the knowledge and skills to participate effectively in society.
4. The Council of Australian Governments (COAG) has identified the achievement of the following five high-level outcomes as key to boosting Australia's participation and productivity:
  - (a) all children are engaged in and benefiting from schooling;
  - (b) young people are meeting basic literacy and numeracy standards, and overall levels of literacy and numeracy achievement are improving;
  - (c) schooling promotes the social inclusion and reduces the educational disadvantage of children, especially indigenous children;
  - (d) Australian students excel by international standards; and
  - (e) young people make a successful transition from school to work and further study.
5. COAG has established the National Education Agreement (NEA) to pursue this agenda.
6. COAG also recognises that to achieve improvements in outcomes for all students, it is vital to support ambitious, nationally-significant reforms in low socio-economic status school (SES)

communities. For this reason, this National Partnership (NP) has been developed by all governments.

7. This NP will provide facilitation funding for a range of within school and broader reforms, including: incentives to attract high quality teachers and principals to participating schools; greater principal flexibility over staffing, management arrangements and school budgets; more flexible school operational arrangements; provision of innovative and tailored learning opportunities; strengthened school accountability; improved external partnerships with parents, other schools, businesses and communities; and access to a range of extended services.
8. Schools implementing these reforms will be better equipped to address the complex and interconnected challenges facing students in disadvantaged communities.
9. This Agreement sets out objectives, outcomes and outputs; the roles and responsibilities of each party; performance benchmarks and reporting arrangements; and financial and governance arrangements.

## PART 1 – FORMALITIES

### Parties to this Agreement

10. In entering this Agreement, the Commonwealth and participating States and Territories ('the States') recognise that they have a mutual interest in and shared responsibility for improving educational outcomes in low-SES school communities and supporting reforms in the way schooling is delivered to those communities.
  - (a) Individual States can elect not to participate in this Agreement. In that case, the Commonwealth may negotiate separate agreements with the non government sectors in those States, using the proportion of Commonwealth funding allocated to those States through the agreed funding methodology as a result of non government low SES school enrolments. The proportion of funding allocated to those States as a result of government school enrolments will be set aside for participating States using the allocation method set out in this Agreement.
  - (b) States may seek Commonwealth agreement to participate in the Agreement for part of its life. In this case, the level of funding a State receives will be determined by its Implementation Plan.
11. The Commonwealth and States will work together to bring schools from the non-government sector into this NP. States will invite nongovernment sector authorities and schools to participate in this NP. These authorities and schools will be involved in the design, operation and evaluation of State Implementation Plans.
  - (a) As a last resort, where effective non-government participation in these Plans cannot be secured, the Commonwealth may establish separate Low SES NPs with non-government schools and authorities.

### Term of the Agreement

12. This Agreement is for seven years and will commence on 1 January 2009 or as soon as the Commonwealth and one other Party signs the Agreement. Bilateral agreements between the

Commonwealth and participating States will commence as soon as they are signed and expire in 2015 unless an earlier date is agreed in writing by the Parties.

## Purpose of the Agreement

13. This Agreement provides an agreed multilateral framework for the NP on Low SES School Communities.
  - (a) This framework sets out this NP's objectives, desired outcomes, reform menu, reporting, financial and governance arrangements. It also provides guidance for the development by participating States of Implementation Plans. These Plans will be agreed with the Commonwealth and form the basis of bilateral agreements, to be negotiated in the first half of 2009.

## Delegations

14. The Minister for Education, Employment and Workplace Relations is authorised to agree the bilateral agreements on behalf of the Commonwealth and certify that payments may be made to the States on the achievement of milestones specified in these bilateral agreements.
15. Ministers for Education are authorised to agree the bilateral agreements on behalf of their State or Territory.

## Interpretation

16. This National Partnership is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and its schedules, and should be read in conjunction with them.
17. Unless otherwise specified, the following terms and definitions are used throughout this Agreement:
  - (a) *Co-investment*: funding contributed by a State government, non-government education authority or non-government school towards this Agreement which may include new funding from 2008, existing and/or redirected/reallocated funding that increases the total funding available to low SES schools.

## PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

### Objectives

18. Through this Agreement, the Parties commit to:
  - (a) work towards achieving improvement in high-level outcomes for schooling agreed by COAG and in the 2008 National Declaration on Educational Goals for Young Australians;
  - (b) achieve sustained improvements in educational outcomes in participating schools. These outcomes would align with those in the NEA;
  - (c) support and achieve innovation and reform at the school level; and foster the dissemination of best-practices through independent monitoring and evaluation;

- (d) test reforms in the way schooling is funded, structured and delivered in low SES communities which, if shown to be successful, could be developed into recommendations for system-wide transformational change; and
- (e) contribute to COAG's social inclusion and Indigenous disadvantage agendas through the identification of reforms and models of service delivery that achieve improved educational outcomes for low SES school communities.

## Outcomes

19. The Agreement will contribute to the following outcomes which are set out in the NEA.  
Progress against these outcomes will be measured by the performance indicators shown below.

**Table:**

Outcomes	Performance Indicators
All children are engaged in and benefiting from schooling.	The proportion of children enrolled in and attending school.
Young people are meeting basic literacy and numeracy standards, and overall levels of literacy and numeracy achievement are improving.	Literacy and numeracy achievement of Year 3, 5, 7 and 9 students in national testing.
Schooling promotes the social inclusion and reduces the education disadvantage of children, especially indigenous children.	<p>The proportion of Indigenous and Low SES children enrolled in and attending school .</p> <p>Literacy and numeracy achievement of Year 3, 5, 7 and 9 Indigenous and low SES students in national testing.</p> <p>The proportion of the 19-year-old Indigenous and low SES population having attained at least a Year 12 Certificate or equivalent or AQF Certificate II.</p> <p>The proportion of Indigenous students completing Year 10.</p>
Australian students excel by international standards.	The proportion of students in the bottom and top levels of performance in international testing (e.g. Program for International Student Assessment , Trends in International Mathematics and Science Study).
Young people make a successful transition from school to work and further study.	The proportion of the 19-year-old population having attained at least a Year 12 or equivalent or AQF Certificate II.
	The proportion of young people participating in post-school education or training six months after school.
	The proportion of 18-24 year-olds engaged in full-time employment, education or training at or above Certificate III.

20. In addition to the outcomes and performance indicators outlined above, this Agreement will track, where possible and appropriate:
- (a) outcomes for identified cohorts, such as Indigenous students, students with a disability, students with other additional learning needs, students from a non-English speaking background, refugees and homeless students;
  - (b) participation in national testing for these cohorts;and

- (c) indicators for these students will include numbers of students achieving high-end results and number of students achieving low-end results across a range of subjects and extra-curricula offerings.
21. State Implementation Plans, and the bilateral agreements they relate to, will also include any additional agreed outcomes and performance indicators, including indicators on student engagement and wellbeing.

## Outputs

22. This Agreement supports ambitious, nationally-significant reforms which aim to lift the quality and quantity of education received by students from disadvantaged backgrounds.
- (a) Consistent with the reforms identified in this Agreement, key outputs include:
    - (i) incentives to attract high-performing principals and teachers;
    - (ii) adoption of best-practice performance management and staffing arrangements that articulate a clear role for principals;
    - (iii) school operational arrangements which encourage innovation and flexibility;
    - (iv) provision of innovative and tailored learning opportunities;
    - (v) strengthened school accountability; and
    - (vi) external partnerships with parents, other schools, businesses and communities and provision of access to extended services.

## PART 3 - SELECTION OF PARTICIPATING SCHOOLS

23. Participating schools will be selected through the following process:
- (a) The Commonwealth will identify a list of schools using a nationally agreed methodology. States will nominate a sub-set of schools or groups (or clusters) of schools serving particular localities from this sub-set of schools. States will have flexibility to nominate schools from outside the list identified from the nationally agreed methodology if they can provide a more accurate identification of low SES schools using more detailed state-based data.
  - (b) States will perform diagnostic assessments of their school communities to identify which schools will best benefit from involvement in this NP.
  - (c) The agreed national methodology for the selection of participating schools will use the Australian Bureau of Statistics' Index of Relative Socio-economic Disadvantage (IRSED) to identify disadvantaged schools on the basis of student address or the school location, recognising that this methodology may have to be adapted given data limitations and the circumstances in the Australian Capital Territories.
  - (d) The final list of participating schools and school communities for any given State will be agreed with the Commonwealth and set out in the relevant bilateral agreement.

## PART 4 – ROLES AND RESPONSIBILITIES OF EACH PARTY

24. The roles and responsibilities of the Commonwealth and States for school education are outlined in the NEA.
25. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

### Role of the Commonwealth

26. The Commonwealth will have responsibility for:
  - (a) agreed complementary interventions which support the learning engagement and wellbeing of students and their families that might be required to support this Agreement, State Implementation Plans and bilateral agreements, and facilitate any cooperation of other Commonwealth agencies delivering services in low SES communities;
  - (b) ensuring efficient payment of agreed Commonwealth facilitation payments, under the terms and conditions set out in the relevant bilateral agreement;
  - (c) assessing the degree of reform ambition in State Implementation Plans, and State proposed co-investments, as a basis for determining the Commonwealth's facilitation payment schedule; and
  - (d) in bilateral agreements which entail a series of Commonwealth facilitation payments, ensuring that each year's facilitation payment is only made once the Commonwealth is satisfied that earlier State reform and financial commitments have been met in full. The first facilitation payment will be made in advance of the reform commitment it relates to.

### Role of the States and Territories

27. The States and Territories will have responsibility for:
  - (a) the development of Implementation Plans which will form the basis of bilateral agreements to be negotiated with the Commonwealth to give effect to this NP.;
  - (b) ensuring full and timely implementation of reforms set out in bilateral agreements, including by supporting principals in participating schools in the development of whole-of-school plans;
  - (c) ensuring full and timely payment of agreed State co-investments, as set out in bilateral agreements;
  - (d) facilitating non-government sector authorities and schools participation in the planning and implementation of reforms under this NP;
  - (e) providing regular reports to the Commonwealth on progress in implementing the agreed reform agenda outlined in Implementation Plans, and associated bilateral agreements; and
  - (f) provision of information in line with performance and reporting requirements detailed in Part 5.

## PART 4 – PERFORMANCE BENCHMARKS AND REPORTING

### Performance benchmarks and indicators

*This is a multi-year facilitation NP which funds States on the basis of the agreed reform programs set out in bilateral agreements. The appropriate performance benchmarks, therefore, are the achievement by States of specific reform milestones.*

28. The reforms which will attract facilitation payments are set out in the following table. This table also provides examples of indicative actions for each identified reform. These examples are not exhaustive.
- (a) States are encouraged to implement all reforms supported by this agreement, but this is not a mandatory requirement of the NP.
  - (b) The list of reforms outlined below should be seen as a weighted menu for facilitation funding purposes. The size of the Commonwealth facilitation payment each participating State receives will vary with the degree of reform ambition, to be determined by the Commonwealth.
  - (c) The Commonwealth will assess reform ambition against the following criteria, including scope (how many of the reforms will be implemented), depth (to what extent State Implementation Plans embrace these reforms) and coverage (the proportion of participating schools/student population they are applied to).

Reforms	Indicative actions
Incentives to attract high-performing principals and teachers	<p>Teacher quality is of paramount importance in boosting the performance of low-SES children.</p> <p>This reform would provide support for schools and systems to offer additional incentives to principals and teachers who achieve exceptional results in low-SES schools. Examples include:</p> <ul style="list-style-type: none"> <li>- financial incentives to attract talented principals and teachers; and</li> <li>- the establishment of schools as professional learning and development centres for teachers and school leaders.</li> </ul>

Reforms	Indicative actions
Adoption of best practice performance management and staffing arrangements that articulate a clear role for principals	<p>School leaders can play a vital role in transforming school cultures and school performance. This reform could:</p> <ul style="list-style-type: none"> <li>- grant additional flexibility to principals in making decisions as to how to allocate their budgets; and</li> <li>- give greater flexibility to principals in making hiring decisions;</li> <li>- provide more flexibility to principals for teacher salaries, based on the teacher's ability to improve student engagement and learning outcomes; and</li> <li>- support the development of the capacity of school leaders to engage in and lead these reforms</li> </ul>
School operational arrangements which encourage innovation and flexibility.	<p>Allowing schools greater scope to tailor internal operational arrangements to local needs. For example:</p> <ul style="list-style-type: none"> <li>- smaller classes for students with high needs;</li> <li>- arrangements that enable more experienced teachers to mentor and coach less experienced counterparts; and</li> <li>- extended hours of operation to allow for on-site or co-located extended services which may include childcare services; health and social care; after hour study support/ICT/sports/arts programs for students; parent support programs.</li> </ul>
Providing innovative and tailored learning opportunities	<p>Low-SES students have particular learning and development needs. Programs such as individual learning plans, additional tutoring assistance and mentoring initiatives could be part of this intervention, as well as an explicit focus on student wellbeing.</p> <ul style="list-style-type: none"> <li>- tailored services might require a 'case management' approach which links together different services to meet the needs of the student;</li> <li>- another approach would be to provide alternative pathways to attainment for students who would benefit from them;</li> <li>- developing a school culture that values and builds social inclusion and wellbeing to underpin excellence in teaching and learning. This would include ensuring that students have access to appropriate pastoral care and health and welfare support; and</li> <li>- developing a vigorous approach and strategies for the early identification and prevention of truancy and non attendance.</li> </ul>

Reforms	Indicative actions
Strengthened school accountability	<p>School accountability requires better reporting of student outcomes. Reporting informs parents and communities about the school's performance and provides valuable feedback for principals and teachers. Under this reform, States might:</p> <ul style="list-style-type: none"> <li>- carry out additional testing. Strengthen assessment of students' literacy and numeracy performance with more regular assessment and feedback points (beyond that agreed upon under the NEA).</li> <li>- provide a higher level of reporting to parents than that agreed upon under the NEA, including on student wellbeing measures and agreed 'leading indicators'.</li> <li>- put in place continuous self-monitoring and evaluation processes which are clearly built into the school performance and management system; and</li> <li>- undertake targeted, time-limited, school-wide interventions in schools where additional support is required to improve school performance, including mentoring/coaching of principals and other approaches that build the leadership capacity of the school.</li> </ul>
External partnerships with parents, other schools, businesses and communities and the provision of access to extended services (including through brokering arrangements).	<p>Many schools are already active in these areas, but facilitation funding would support extension of those approaches which can lift learning outcomes and improve student wellbeing. Examples include:</p> <ul style="list-style-type: none"> <li>- parental engagement strategies, in line with the national Family-School Partnerships Framework which aims to help school communities build effective partnerships with families to support student learning;</li> <li>- partnerships with local community groups and other agencies to ensure that students have access to appropriate pastoral, health and welfare, employment and other services support. In the case of low-SES schools with high numbers of indigenous students, brokers could be appointed to facilitate school-community partnership agreements;</li> <li>- partnerships with businesses, such as through the Australian Business and Community Network, to broaden the horizons of students, support educators and provide employment links with businesses and business organisations;</li> <li>- partnerships with other schools, including shared facilities and joint initiatives and promotion of linkages between targeted schools and high performing schools which can play a mentoring role; and</li> </ul>

	<ul style="list-style-type: none"> <li>- brokering a range of services for students and families, including co-location of some services like early childhood facilities, linking employment services to schools and referring parents to parenting and family support programs to enable them to better engage with their children's education.</li> </ul>
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29. States will be able to qualify for reform reward payments through the Literacy and Numeracy and Improving Teacher Quality NPs should they choose to participate in those initiatives.
- (a) Reward payments will be based on improvements in performance across participating (low SES) schools against agreed indicators set out in the Literacy and Numeracy NP. The COAG Reform Council will assess whether pre-determined milestones and performance benchmarks have been achieved before a reward payment is made.

## Implementation Plan

30. States opting to participate in this NP will develop Implementation Plans which will:
- (a) propose a list of participating schools and school communities, including where merited, school clusters;
    - (i) Part 3 provides details on the school selection process.
  - (b) outline how non-government authorities and schools will be involved in the NP;
  - (c) identify reform priorities from the menu of facilitation reforms outlined in Section 19;
  - (d) outline, in detail, how these reforms will be implemented in participating schools;
    - (i) Multi-year reform timetables will be provided. These will include clear reform milestones to enable implementation progress to be tracked and reported.
  - (e) outline the State's proposed co-investments over the life of the NP;
  - (f) describe how whole-of-school plans will be developed. These plans will:
    - (i) take State Implementation Plans as their starting point;
    - (ii) be developed by principals in participating schools, education authorities and systems, ensuring that students, teachers, parents and surrounding communities are properly consulted;
    - (iii) identify and assess the students' and schools' particular needs and particular strategies to address them, drawing on the reform menu outlined in this Agreement;
    - (iv) identify measures to assess school progress;
    - (v) outline how the school will use its own resources in support of the plan's reform strategies; and
  - (g) explain how this NP will link with other NPs the State chooses to participate in, including NPs on Teacher Quality and Literacy and Numeracy.

- (i) Where possible, States and the Commonwealth should ensure that the planning and compliance burden schools face under the NPs they participate in should be minimised.

## Bilateral Agreements

31. These Implementation Plans will form the basis of bilateral agreements to be concluded between participating States and the Commonwealth. Bilateral agreements will set out:
  - a) an agreed list of schools and school communities to participate in the NP;
  - b) an agreed reform agenda, including specific milestones for implementation of these reforms, including multi-year benchmarks for reforms which will be implemented over a number of years;
  - c) the Commonwealth facilitation payments and State co-investments to be made in support of these reforms;
    - i. For multi-year reform agendas, a series of indicative Commonwealth facilitation payments and State co-investments will be specified.
  - d) outcome-related performance indicators as specified in Clause 19 of this Agreement and including State-specific indicators that might be agreed in addition to those set out in this Agreement;
  - e) monitoring and reporting arrangements to track State implementation of agreed reforms, State co-investments and reform milestones;
  - f) any auditing arrangements that Parties consider necessary to ensure the terms of bilateral agreements are being complied with; and
  - g) bilateral governance arrangements, including dispute resolution procedures.

## Reporting

32. Reporting under this National Partnership will comply with the requirements of Schedule C to the Intergovernmental Agreement on Federal Financial Relations.
33. The States will provide reports to the Commonwealth against the reform milestones and timelines, as detailed in each State's bilateral agreement. Summary reports will be also published.
34. The reports will be provided to the Commonwealth within four months of the end of the relevant period, or as otherwise specified each State's bilateral agreement.

## Evaluation

35. The Commonwealth will provide funding to evaluate the progress of reforms through this NP. The evaluation will support program management and monitoring and continuous improvement efforts and will inform COAG on the success of the reforms and how best to sustain them.
36. Participating schools will engage in the evaluation to ensure non-participating schools have access to information about effective intervention.

37. These reforms will be monitored by the COAG Reform Council and any other body the Parties agree to establish for the purpose of assessing the effectiveness of these reforms.

## PART 5 – FINANCIAL ARRANGEMENTS

### Funding

38. The assumed average school cost for full implementation of all reforms outlined in this Agreement is \$500,000 per year, to be met by equal Commonwealth facilitation payments and State co-contributions.
- (a) This is an indicative figure only. The funding that individual schools receive under the NP will be set out in bilateral agreements the Commonwealth concludes with participating States.
- (b) It is anticipated that total investments by the Commonwealth and each jurisdiction would, over the life of this NP, cover the agreed costs of reforms in all schools included in the State Implementation Plans — government and non-government. Participating non-government schools will contribute to these costs, including through new, existing and/or redirected/reallocated funding that increase the total funding available to non-government low SES schools. These contributions will offset, in part, any State contributions to these schools under this NP.
39. In light of the Australian Capital Territory's circumstances, the Commonwealth and the Australian Capital Territory will determine the nature of the Australian Capital Territory's participation and share of funding in the bilateral agreement.

**Table: Notional State and Territory funding shares, by financial year**

	2008-09		2009-10		2010-11		2011-12		2012-13		5-year total
	\$m	Share	\$m	Share	\$m	Share	\$m	Share	\$m	Share	\$m
NSW	4	0.3955	60	0.3955	81	0.3955	149	0.3955	143	0.3955	438
VIC	2	0.1835	28	0.1835	38	0.1835	69	0.1835	66	0.1835	203
QLD	2	0.1545	24	0.1545	32	0.1545	58	0.1545	56	0.1545	171
WA	1	0.0645	10	0.0645	13	0.0645	24	0.0645	23	0.0645	71
SA	1	0.1065	16	0.1065	22	0.1065	40	0.1065	39	0.1065	118
TAS	1	0.0468	7	0.0468	10	0.0468	18	0.0468	17	0.0468	52
ACT	0	0.0020	0	0.0020	0	0.0020	1	0.0020	1	0.0020	2
NT	1	0.0468	7	0.0468	10	0.0468	18	0.0468	17	0.0468	52
Total	11		153		206		376		362		1107

Methodology: High cost option (1500 schools = 3 billion) — This indicative share has been determined on the basis of State shares of disadvantage reflected in an agreed IRSED measure. The measure allocates 50 per cent of funding by identifying disadvantaged schools according to the IRSED scores of the schools based on either the address of students or the location of the school and then using student enrolments to determine notional funding allocations; and 50 per cent of funding according to each State or Territory's proportion of the Australian school-aged population who reside in the most disadvantaged Census Collection Districts according to IRSED. A weighting was applied student enrolments in remote and very remote areas. The distribution is for the Commonwealth contribution only.

40. The indicative share is derived by allocating 50 per cent of funding under this NP to disadvantaged schools according to IRSED, with student enrolments used to determine

notional funding allocations. The remaining 50 per cent of funding is allocated according to each State's proportion of the school-aged population who reside in the most disadvantaged Census Collection Districts according to IRSED. A weighting of 1.45 was applied to student enrolments in remote and very remote areas. The maximum number of schools that may participate in this NP from any State will be determined on the basis of this share.

41. Should a State implement this NP to a lesser extent than its indicative funding allocation, other participating States will be able to bid for the indicative funding. Final funding details will be subject to agreement by the Commonwealth and set out in relevant bilateral agreements.
42. The actual amount of Commonwealth facilitation funding States will receive under bilateral agreements will depend on:
  - (a) the Commonwealth's assessment of the degree of reform ambition embodied in State Implementation Plans; and
  - (b) the size of the co-investment each State is prepared to commit over the life of the NP.
43. State co-investments will match Commonwealth facilitation payments over the life of the relevant bilateral agreement. These co-investments will include redirection and reprioritisation of existing school funding sources and new funding commitments.

## Payment schedule

44. The Commonwealth will make payments to the States in accordance with a schedule reflecting the achievement of reform milestones identified in the bilateral agreements.
  - (a) This schedule will be set out in bilateral agreements and be consistent with new payment arrangements that will apply to all NPs. The Commonwealth will make monthly payments to the States and Territories for work undertaken within the previous period.
45. Commonwealth facilitation payments will be authorised by the Commonwealth Treasurer on the advice of the Commonwealth Minister for Education, Employment and Workplace Relations that participating States have met previously agreed reform milestones for the previous reporting period (that is, reform commitments that attracted earlier Commonwealth facilitation payments) and complied in full with their earlier funding (co-investment) obligations.
46. Provisions governing this approval process will be included in bilateral agreements.
47. Bilateral agreements will detail how States propose to distribute Commonwealth facilitation payments, State co-investments and contributions from participating non-government schools.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Dispute resolution

48. Any Party may give notice to other Parties of a dispute under this Agreement.
49. The relevant delegates will attempt to resolve any dispute in the first instance.
50. If a dispute cannot be resolved it may be escalated to COAG for consideration.
51. Disputes over a bilateral agreement with a particular State will be dealt with under dispute resolution arrangements outlined in that bilateral Agreement.

## Variation of the Agreement

52. The agreement may be amended at any time by agreement in writing by all the Parties and under terms and conditions as agreed by all the Parties.
53. A Party to the Agreement may terminate their participation in this Agreement by notifying all the other Parties in writing. To minimise disruption to participating schools, at least 12 months' notice should be given in these circumstances.
54. Termination of a Party's participation in this Agreement will also terminate the bilateral agreements that jurisdiction has concluded.

## Review of the Agreement

55. The Parties recognise that given the ambitious nature of this NP's reforms and the difficult challenges facing low SES schools, this Agreement will be reviewed before its expiry. This review will assess progress in achieving this NP's objectives and outcomes and consider options for the future of the NP, including extension of its life or rolling a portion of the NP's facilitation funding into NEA funding. The review will draw on the findings from the independent evaluation of the reforms implemented under this NP.
56. In the event of inconsistency between this Agreement and the *Intergovernmental Agreement on Federal Financial Relations*, the *Intergovernmental Agreement on Federal Financial Relations* will take precedence over any clauses contained in this Agreement.

The Parties have confirmed their commitment to this agreement as follows:

**Signed** *for and on behalf of the Commonwealth of Australia by*

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**The Honourable Kevin Rudd MP**

Prime Minister of the Commonwealth of Australia

February 2009

**Signed** *for and on behalf of the State of New South Wales by*

**Signed** *for and on behalf of the State of Victoria by*

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**The Honourable Nathan Rees MP**

Premier of the State of New South Wales

December 2008

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**The Honourable John Brumby MP**

Premier of the State of Victoria

December 2008

**Signed** *for and on behalf of the State of Queensland by*

**Signed** *for and on behalf of the State of Western Australia by*

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**The Honourable Anna Bligh MP**

Premier of the State of Queensland

December 2008

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**The Honourable Colin Barnett MP**

Premier of the State of Western Australia

December 2008

**Signed** *for and on behalf of the State of South Australia by*

**Signed** *for and on behalf of the State of Tasmania by*

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**The Honourable Mike Rann MP**

Premier of the State of South Australia

December 2008

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**The Honourable David Bartlett MP**

Premier of the State of Tasmania

December 2008

**Signed** *for and on behalf of the Australian Capital Territory by*

**Signed** *for and on behalf of the Northern Territory by*

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**Jon Stanhope MLA**

Chief Minister of the Australian Capital Territory

December 2008

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**The Honourable Paul Henderson MLA**

Chief Minister of the Northern Territory of Australia

December 2008